

# SENATE BILL No. 446

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-4.1-3-10; IC 6-4.1-5-1.

**Synopsis:** Inheritance tax exemption for lineal descendants. Provides a complete exemption from the inheritance tax for property interests transferred to lineal descendants and ancestors (Class A transferees) with respect to decedents who die after June 30, 1999.

**Effective:** July 1, 1999.

---

---

**Ford, Alting**

---

---

January 13, 1999, read first time and referred to Committee on Finance.

---

---

C  
o  
p  
y



First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

## SENATE BILL No. 446

---

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 6-4.1-3-10 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) **With respect**  
3 **to a person who dies before July 1, 1999**, the first one hundred  
4 thousand dollars (\$100,000) of property interests transferred to a Class  
5 A transferee under a taxable transfer or transfers is exempt from the  
6 inheritance tax.  
7 (b) **With respect to a person who dies after June 30, 1999, the**  
8 **entire amount of property interests transferred to a Class A**  
9 **transferee is exempt from the inheritance tax.**  
10 SECTION 2. IC 6-4.1-5-1 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) For purposes of  
12 this section, the net taxable value of property interests transferred by a  
13 decedent to a particular transferee equals the remainder of:  
14 (1) the total fair market value of the property interests transferred  
15 by the decedent to the transferee under a taxable transfer or  
16 transfers; minus  
17 (2) the total amount of exemptions and deductions provided under



sections 9.1 through 15 of IC 6-4.1-3 with respect to the property interests so transferred.

(b) **With respect to a decedent whose death occurred before July 1, 1999**, the inheritance tax imposed on a decedent's transfer of property interests to a particular Class A transferee is prescribed in the following table:

NET TAXABLE VALUE OF PROPERTY INTERESTS TRANSFERRED	INHERITANCE TAX
\$25,000 or less .....	1% of net taxable value
over \$25,000 but not over \$50,000 .....	\$250, plus 2% of net taxable value over \$25,000
over \$50,000 but not over \$200,000 .....	\$750, plus 3% of net taxable value over \$50,000
over \$200,000 but not over \$300,000 .....	\$5,250, plus 4% of net taxable value over \$200,000
over \$300,000 but not over \$500,000 .....	\$9,250, plus 5% of net taxable value over \$300,000
over \$500,000 but not over \$700,000 .....	\$19,250, plus 6% of net taxable value over \$500,000
over \$700,000 but not over \$1,000,000 ....	\$31,250, plus 7% of net taxable value over \$700,000
over \$1,000,000 but not over \$1,500,000 ....	\$52,250, plus 8% of net taxable value over \$1,000,000
over \$1,500,000 .....	\$92,250, plus 10% of net taxable value over \$1,500,000

(c) **With respect to a decedent whose death occurred after June 30, 1999, the inheritance tax imposed on the decedent's transfer of property interests to a particular Class A transferee is zero dollars (\$0).**

(d) The inheritance tax imposed on a decedent's transfer of property interests to a particular Class B transferee is prescribed in the following table:

NET TAXABLE VALUE OF  
PROPERTY INTERESTS



1	TRANSFERRED	INHERITANCE TAX
2	\$100,000 or less .....	7% of net taxable value
3	over \$100,000 but not	
4	over \$500,000 .....	\$7,000, plus 10% of net
5		taxable value over \$100,000
6	over \$500,000 but not	
7	over \$1,000,000 ....	\$47,000, plus 12% of net
8		taxable value over \$500,000
9	over \$1,000,000 .....	\$107,000, plus 15% of net
10		taxable value over \$1,000,000
11	(d) (e) The inheritance tax imposed on a decedent's transfer of	
12	property interests to a particular Class C transferee is prescribed in the	
13	following table:	
14	NET TAXABLE VALUE OF	
15	PROPERTY INTERESTS	
16	TRANSFERRED	INHERITANCE TAX
17	\$100,000 or less .....	10% of net taxable value
18	over \$100,000 but not	
19	over \$1,000,000 ....	\$10,000, plus 15% of net
20		taxable value over
21		\$100,000
22	over \$1,000,000 .....	\$145,000, plus 20% of
23		net taxable value over
24		\$1,000,000

C  
o  
p  
y

